

**Remarks****Summary of Office Action**

Claims 1-10 were pending.

Claims 1 and 3 have been rejected under 35 U.S.C. § 102(e) as being anticipated by Paltenghe U.S. Patent Application Publication No. 2002/0004783 ("Paltenghe"). Claims 2 and 4-10 have been rejected under 35 U.S.C. § 103(a) as being obvious from Paltenghe in view of Chaum et al. U.S. Patent Serial No. 6,434,238 ("Chaum").

**Summary of Advisory Action**

Amended claims 1-10 presented in a Reply dated May 30, 2006 were not entered because they would require additional consideration and search.

**Applicant's Reply**

Applicant has cancelled claims 7 and 9, and amended claims 1, 3, 6, and 8 to clarify the invention taking into consideration the Advisory Action. Applicant respectfully traverses the claim rejections under § 102(a) and § 103(a).

**Independent claims 1, 3, 6 and 8**

As previously noted, applicant's invention relates to methods and apparatus for conducting a payment card transaction over a computer network between a consumer and a merchant. In particular, applicant's invention is directed to methods and systems (including wallet servers) by which the recent chip payment card technology is seamlessly integrated into existing or legacy payment infrastructures that do not support chip payment cards. (See e.g., Summary of Invention, page 7 last paragraph).

Independent claims 1, 3, 6, and 8 all are directed to the payment transaction situation where the customer's payment card is in the form of either a chip card or a non-chip card (issued by an issuer institution having infrastructure to support chip card transactions and an issuer institution having legacy infrastructure supporting only non- chip card transactions, respectively).

Claims 1, 3, 6 and 8 all require transaction processing in a format compliant with a chip card electronic commerce protocol or specification. The claims require that the transaction processing be positively "in a manner which is independent of the form of the payment card as a chip card or a non-chip card" so that the transaction is accomplished for the payment card irregardless of the type its issuer institution's supporting infrastructure (chip or non- chip).

Applicant respectfully submits that neither of the cited references shows these features of applicants' invention for seamless integration legacy and new payment technologies.

In particular, the cited references do not show teach or suggest the elements of applicant's claims.

As previously noted, Paltenghe relates to improvements in conventional electronic wallet software (See e.g., Paltenghe, Background Section). The Examiner correctly notes that Paltenghe describes a virtual wallet system including a wallet server. However, applicant notes that Paltenghe does not describe a method or wallet server configured for seamless dual use with both chip payment card and non-chip payment cards infrastructure. Further, Chaum does not describe or suggest wallet servers.

In particular, neither Paltenghe nor Chaum show, teach, or suggest methods or wallet servers configured to conduct transactions positively:

“in a manner that is independent of the form of the payment card as a chip card or a non-chip card so that the transaction is accomplished for the payment card irregardless of its issuer institution having infrastructure to support chip card transactions or having legacy infrastructure supporting only non-chip card transactions,”

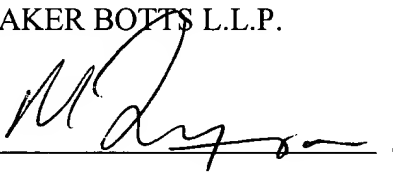
as required by applicant's claims 1, 3, 6, and 8.

For at least this reason, these independent claims 1, 3, 6 and 8 are patentable over the cited references — Paltenghe and Chaum, viewed independently or in combination. Further the dependent claims 1, 4, 5, 7, 8, 9 and 10 are patentable for at least the same reasons.

### **Conclusion**

This application is now in condition for allowance. Reconsideration and prompt allowance of which are requested. If there are any remaining issues to be resolved, applicant respectfully requests the Examiner to kindly contact the undersigned attorney by telephone for an interview.

Respectfully submitted,  
BAKER BOTTS L.L.P.



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